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August 28, 2014

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

**RE: Joint Petition of Mid-Carolina Electric Cooperative, Incorporated and South Carolina Electric & Gas Company for Reassignment of Territory in Saluda County and Approval of an Agreement to Limit Corridor Rights.
Docket No. 2014-299-E**

Dear Ms. Boyd:

The Office of Regulatory Staff ("ORS") has reviewed the Joint Petition of Mid-Carolina Electric Cooperative, Inc. ("Mid-Carolina") and South Carolina Electric & Gas Company ("SCE&G") (Collectively "the Parties") to reassign territory and eliminate certain corridor rights in Saluda County. In addition, ORS has discussed this matter with SCE&G representatives.

Under S.C. Code Ann. §58-27-650(A) (Supp. 2013), the South Carolina Public Service Commission ("Commission") may reassign a portion of previously assigned service areas upon agreement of the affected electric suppliers. The Joint Petition includes the request to reassign certain territory in Saluda County (A) from Mid-Carolina to SCE&G, and (B) from SCE&G to Mid-Carolina. The Joint Petition asserts that no current customers of the Parties in these areas of Saluda County will be affected. Under S.C. Code Ann. §58-27-620 (8) (Supp. 2013), the Commission may approve agreements between electric suppliers concerning corridor rights. The Parties request approval of their agreement to abandon certain corridor rights as described and delineated in the filing.

(Continued...)

The Parties assert their agreement resulted from lengthy good faith negotiations, desire to avoid wasteful duplication of electric distribution lines and to better operate those systems safely. In addition, the Parties have given careful consideration to system economy, service reliability and good utility practice, efficiency and safety.

Based on discussions with SCE&G personnel and the information reviewed, ORS does not have an objection to the Joint Petition as set forth by the Parties, but if approved, would recommend requiring the filing of amended territorial assignment map(s) for Saluda County to reflect the requested modifications in the Joint Petition.

Thank you for the opportunity to provide comments in this matter.

Sincerely,


John W. Flitter

JWF/swh

cc: Nanette Edwards, Deputy Executive Director, ORS
Jeffrey M. Nelson, Chief Counsel and Director of Legal Services, ORS
K. Chad Burgess, Associate General Counsel, SCANA
J. David Black, Counsel, Mid-Carolina Electric Cooperative, Inc.
Dr. James Spearman, Executive Assistant, PSCSC